

**BY-LAWS**  
**OF THE**  
**BOARD OF MANAGERS**  
**EGYPTIAN AREA SCHOOLS EMPLOYEE BENEFIT TRUST**

(As amended and restated effective January 1, 1999)

## TABLE OF CONTENTS

	Page
1. BOARD OF MANAGERS.....	1
1.1 Composition.....	1
1.2 Term .....	1
1.3 Resignation and Removal of Manager .....	1
1.4 Successor Manager.....	1
1.5 Manager Address.....	1
2. EXECUTIVE COMMITTEE .....	1
2.1 Composition.....	1
2.2 Election, Term and Removal .....	1
2.3 Vacancies.....	2
2.4 Meetings .....	2
2.5 Meeting Expenses.....	2
2.6 Records.....	2
2.7 Quorum and Action of Majority .....	2
2.8 Participants .....	2
2.9 Actions without Meetings.....	2
2.10 Attorney-in-Fact .....	2
2.11 Powers and Duties .....	3
3. CHAIRMAN AND VICE-CHAIRMAN.....	4
3.1 Election.....	4
3.2 Vacancies.....	4
3.3 Term .....	4
3.4 Removal.....	4
3.5 Duties of the Chairman.....	4
3.6 Duties of the Vice-Chairman.....	4
3.7 Voting Rights.....	4
3.8 Compensation .....	5
4. INVESTMENT COMMITTEE .....	5
4.1 Composition, Appointment and Term .....	5
4.2 Vacancies.....	5
4.3 Meetings .....	5
4.4 Records.....	5
4.5 Quorum and Action of Majority .....	5
4.6 Actions without Meetings.....	5
4.7 Attorney-in-Fact .....	5
4.8 Powers and Duties .....	6
5. OTHER COMMITTEES .....	6
5.1 Establishment.....	6
5.2 Governing Rules.....	6
6. MEETINGS OF THE BOARD OF MANAGERS.....	6
6.1 Regular Meetings.....	6
6.2 Special Meetings.....	7
6.3 Quorum and Action of Majority .....	7
6.4 Meeting Expenses.....	7
6.5 Vote by Proxy .....	7
6.6 Voting Rights.....	7
6.7 Powers Reserved to the Managers.....	7
7. REPORTING AND DISCLOSURE OBLIGATIONS.....	8

7.1	Accounting .....	8
7.2	Contribution Rates, Withdrawal Liabilities and Late Payment Penalties .....	8
7.3	Notification to Participating Employers of Certain Events .....	8
7.4	Notices to Participants .....	8
7.5	Miscellaneous Reporting .....	9
8.	CLAIMS PROCEDURE .....	9
8.1	Content and Manner of Filing Claim.....	9
8.2	Appeal of Denied Claims.....	9
8.3	Decisions on Review .....	10
9.	MISCELLANEOUS .....	10
9.1	Definitions .....	10
9.2	Waiver of Notice .....	10
9.3	Amendments.....	10

## BY-LAWS

(As amended and restated effective January 1, 1999)

### 1. BOARD OF MANAGERS

1.1 **Composition.** The business of the Egyptian Area Schools Employee Benefit Trust shall be conducted under the supervision of a Board of Managers (the "Managers") consisting of one Manager selected by each Participating Employer. Each Participating Employer may employ any procedure for the selection of its Manager not inconsistent with the Trust or these By-Laws; provided, however, that each Manager must be an employee of the Participating Employer selecting such Manager and a Participant.

1.2 **Term.** Each Manager shall serve a term of one year, or such shorter or longer period as the Participating Employer which selected such Manager shall determine.

1.3 **Resignation and Removal of Manager.** A Manager may resign as Manager by giving 10 days' notice to the Participating Employer which appointed such Manager, which notice may be waived by the Participating Employer. A Manager may be removed, with or without cause, by the Participating Employer which appointed such Manager by giving 10 days' notice of such removal, which notice may be waived by the Manager.

1.4 **Successor Manager.** If the office of any Manager becomes vacant for any reason, the Participating Employer which selected such Manager shall select a successor Manager. Any successor Manager shall have all the rights, powers, privileges and duties of the predecessor Manager. The Participating Employer shall notify the Chairman and the Contract Administrator in writing of the appointment of any successor Manager.

1.5 **Manager Address.** The address of each Manager shall be deemed to be the address of such Manager's Participating Employer.

### 2. EXECUTIVE COMMITTEE

2.1 **Composition.** The Executive Committee shall be comprised of a total of 25 members, including the Chairman and the Vice-Chairman of the Board of Managers.

2.2 **Election, Term and Removal.** The members of the Executive Committee shall be elected from among the Managers at annual elections held pursuant to Section 6.1. Each member of the Executive Committee shall serve for a term of three years, with one-third of the members to be elected each year; provided, however, that a member may resign at any time and may be removed from the Executive Committee prior to expiration of his term by the affirmative vote of a majority of the Managers present at any duly called regular or special meeting of the Managers at which a quorum is present.

2.3 **Vacancies.** In the event a Manager who is a member of the Executive Committee dies or resigns or is removed from the Board of Managers, or is removed from the committee by the Managers as provided in Section 2.2 but retains his position on the Board of Managers, the Managers shall elect a successor to serve his remaining term on the committee. Until a successor is elected, the remaining members of the Executive Committee shall have full authority to act.

2.4 **Meetings.** Regular meetings of the Executive Committee shall be held upon such notice and at such time and place as the Executive Committee shall determine from time to time. The Chairman or any other member of the Executive Committee may call a special meeting of the Executive Committee upon not less than 10 days' prior notice of the time, place and purpose of such meeting to each member of the Executive Committee.

2.5 **Meeting Expenses.** Travel expenses for attendance at meetings of the Executive Committee and other Committees of the Board of Managers may be reimbursed in accordance with uniform policies established by the Executive Committee from time to time.

2.6 **Records.** The Executive Committee shall designate a secretary who shall keep minutes of the proceedings of the Executive Committee and the Board of Managers and all data, records and documents pertaining to their activities on behalf of the Trust

2.7 **Quorum and Action of Majority.** A majority of the members of the Executive Committee shall constitute a quorum for the transaction of business, but less than a quorum may adjourn from time to time until a quorum is in attendance. The Executive Committee shall act by a majority of its members present at a duly called meeting at which a quorum is present, and such action shall be binding on the Executive Committee, the Managers, the Trust and all persons affected thereby.

2.8 **Participants.** A member of the Executive Committee shall not vote or act upon any matter relating solely to his own rights or benefits as a Participant in the Trust.

2.9 **Actions without Meetings.** Any action which may be taken at a meeting of the Executive Committee may be taken without a meeting if consents in writing, setting forth the action so taken, shall be signed by all of the members of the Executive Committee entitled to vote on the subject matter thereof. Such consents shall have the same force and effect as a unanimous vote of the Executive Committee at a meeting duly held.

2.10 **Attorney-in-Fact.** The Executive Committee may authorize one or more of its members to execute documents on its behalf. The Chairman shall have authority to execute documents on behalf of the Executive Committee and the Board of Managers without further authorization. Any person to whom all or any of the rights and powers of the Executive Committee have been delegated hereunder, upon written notification of such authorization, shall accept and rely upon such authorization until receipt of notification in writing that the authorization has been revoked by the Executive Committee.

2.11 **Powers and Duties.** Except with respect to such matters as are expressly reserved to the full Board of Managers, the Executive Committee shall have full and complete power and responsibility for operating and administering the Trust, and any other power, authority or responsibility charged to the Managers by the Trust, the Funding Agreement, the Plan or these By-Laws shall be exercised by the Executive Committee on behalf of the Managers without further delegation by the Managers. Such authority shall include but shall not be limited to the following powers and duties:

(a) To advise the Managers in connection with the administration of the Trust, including recommendations with respect to contribution rates and benefit changes;

(b) to self-administer or to contract for or delegate the administration of all or any portion of the Plan or programs provided under the Trust;

(c) to appoint and remove the Trustee and to appoint successor Trustees;

(d) to adopt and publish such rules, regulations and procedures as may be necessary or desirable to carry out the provisions of the Plan and the Trust;

(e) to establish late payment penalties and withdrawal liability rates and procedures for Participating Employers, and contribution rates and payment procedures for Participants no longer associated with a Participating Employer but entitled to continued coverage under applicable law;

(f) to verify and investigate claims of Participants and Health Service Providers;

(g) to determine all questions arising in connection with the administration, interpretation and application of Plan benefits, including but not limited to the power, pursuant to the claims procedure, to hear, review, compromise, compound, settle or arbitrate any claim, debt or obligation in respect of a benefit due a Participant;

(h) to construe the Trust and the Funding Agreement and to carry out their terms, to supply omissions and to reconcile and correct any errors or inconsistencies, subject to the power reserved to the Managers to amend the Trust and the Funding Agreement;

(i) to recommend to the Managers appropriate amendments to the Trust, the Funding Agreement, the Plan and these By-Laws;

(j) to adopt and revise from time to time a funding policy and investment goals and objectives for the Trust pursuant to the recommendations of the Investment Committee;

(k) to notify the Trustee periodically of the needs of the Fund in respect of liquidity;

(l) to select and enter into contracts with insurance companies for the purpose of providing insured benefits for Participants and excess loss coverage;

(m) to delegate such of its powers and duties as it may see fit to committees of the Managers or such independent individuals, firms, or corporations as it may determine from time to time;

(n) to employ such agents, administrators, attorneys, auditors, actuaries and other administrative personnel as may be necessary and advisable for the administration and operation of the Trust; and

(o) to prepare, execute and file such documents and reports as may be required of the Trust by applicable law.

### 3. CHAIRMAN AND VICE-CHAIRMAN

3.1 **Election.** The Managers shall elect a Chairman and a Vice-Chairman of the Board of Managers from among the Managers by the vote of a majority of the Managers present at any duly called regular or special meeting of the Managers at which a quorum is present.

3.2 **Vacancies.** Vacancies in the offices of the Chairman and Vice-Chairman arising by resignation, death, removal, expiration of term or otherwise shall be filled by the Managers in like manner.

3.3 **Term.** The Chairman and the Vice-Chairman shall be elected for two year terms. No Manager may serve as Chairman for more than three two-year terms in succession.

3.4 **Removal.** The Chairman and/or the Vice-Chairman may be removed at any time by the affirmative vote of two-thirds of the Managers present at any duly called regular or special meeting of the Managers at which a quorum is present.

3.5 **Duties of the Chairman.** The Chairman shall be the Chief Executive Officer of the Trust. In that capacity he shall (a) supervise the operation and administration of the Trust, (b) execute the instructions of the Managers and the various committees of the Managers, and (c) preside over all regular and special meetings of the Executive Committee, the Investment Committee and the Board of Managers.

3.6 **Duties of the Vice-Chairman.** The Vice-Chairman shall assist the Chairman in supervising the operation and administration of the Trust and shall preside at any or all meetings of the Managers or the various committees of the Managers in the absence of the Chairman.

3.7 **Voting Rights.** Except as otherwise provided in Section 2.7, the Chairman and the Vice-Chairman shall be entitled to vote on any matter before the Managers or the Executive Committee or any other committee on which they serve as members.

3.8 **Compensation.** The Chairman and Vice-Chairman shall serve without compensation as such; provided, however, that the Chairman may be paid a reasonable fee, as determined by the Board of Managers from time to time, for the administrative time and services provided by the Chairman to the Trust.

#### 4. INVESTMENT COMMITTEE

4.1 **Composition, Appointment and Term.** The Chairman shall appoint not less than two members of the Executive Committee, and such other members of the Managers as he shall determine from time to time, to serve with the Chairman on the Investment Committee. All Investment Committee members shall serve for one year terms.

4.2 **Vacancies.** Vacancies in the Investment Committee arising by resignation, death, removal, expiration of term or otherwise shall be filled by the Chairman, and until a vacancy is filled the remaining members of the Investment Committee shall have full authority to act.

4.3 **Meetings.** Meetings of the Investment Committee shall be held upon such notice and at such time and place as the Investment Committee shall determine from time to time. The Chairman or any other member of the Investment Committee may call a special meeting of the Investment Committee upon not less than 10 days' prior notice of the time, place and purpose of such meeting to each member of the Investment Committee.

4.4 **Records.** The Investment Committee shall choose from its members a secretary who shall keep minutes of its proceedings and all data, records and documents pertaining to its activities on behalf of the Trust.

4.5 **Quorum and Action of Majority.** A majority of the members of the Investment Committee shall constitute a quorum for the transaction of business, but less than a quorum may adjourn from time to time until a quorum is in attendance. The Investment Committee shall act by a majority of its members present at a duly called meeting at which a quorum is present, and such action shall be binding on the Investment Committee, the Managers, the Trust and all persons affected thereby.

4.6 **Actions without Meetings.** Any action which may be taken at a meeting of the Investment Committee may be taken without a meeting if consents in writing, setting forth the action so taken, shall be signed by all of the members of the Investment Committee. Such consents shall have the same force and effect as a unanimous vote of the Investment Committee at a meeting duly held.

4.7 **Attorney-in-Fact.** The Investment Committee may authorize one or more of its members to execute documents on its behalf, and any person to whom all or any of the rights and powers of the Investment Committee have been delegated hereunder, upon written notification of such authorization, shall accept and rely upon such authorization until receipt of notification in writing that the authorization has been revoked by the Investment Committee.

4.8 **Powers and Duties.** The Investment Committee shall assume primary responsibility for all duties of the Managers with respect to investment and control of Trust assets. These duties shall include but shall not be limited to the following:

- (a) To develop and recommend to the Executive Committee a funding policy for the Trust;
- (b) to develop and recommend to the Executive Committee written investment goals and objectives;
- (c) to make recommendations to the Executive Committee regarding appointment, removal, and/or replacement of the Trustee;
- (d) to act as the Managers' liaison with the Trustee;
- (e) to review all regular and special accountings and reports from the Trustee and to report on the same to the Executive Committee and the Managers;
- (f) to review and approve the Trustee's fees and expenses; and
- (g) to make recommendations to the Executive Committee regarding appointment of an investment adviser.

## 5. **OTHER COMMITTEES**

5.1 **Establishment.** The Executive Committee shall have the right from time to time to establish one or more additional committees to carry out any of the responsibilities of the Managers or the Executive Committee not specifically delegated to the Investment Committee or reserved to the full Board of Managers.

5.2 **Governing Rules.** The provisions of Section 4.1 through Section 4.7 regarding composition, appointment, term, vacancies, meetings, records, quorum and action of majority, actions without meeting and attorney-in-fact for the Investment Committee shall be applicable to each such other committee established pursuant to this Section 5 from time to time.

## 6. **MEETINGS OF THE BOARD OF MANAGERS**

6.1 **Regular Meetings.** The Managers shall hold semi-annual regular meetings at such time and such place as the Managers shall determine from time to time. The time and place of each such meeting shall be specified in a reminder notice to be sent by regular mail to each Manager not less than 10 days prior to such meeting. Elections of the members of the Executive

Committee and the Chairman and Vice-Chairman shall be held at one such regular meeting each year.

6.2 **Special Meetings.** A special meeting of the Board of Managers shall be held upon the call of (a) the Chairman of the Board of Managers, (b) a majority of the members of the Executive Committee, or (c) the lesser of 10 Managers or 10% of the Managers.

6.3 **Quorum and Action of Majority.** The Managers actually present at any duly called meeting of the Managers shall constitute a quorum for the transaction of business, provided that written notice of the meeting, including a proposed agenda, has been mailed or delivered to each Manager at least 10 days prior thereto. Less than a quorum may adjourn from time to time until a quorum is in attendance. Except as otherwise expressly provided herein or in the Trust, the actions and decisions of a majority of the Managers present at a duly called meeting at which a quorum is present shall be binding upon the Managers, the Trust and all persons affected thereby.

6.4 **Meeting Expenses.** Each Participating Employer shall bear the expenses incurred by the Manager selected by it in attending each regular or special meeting of the Managers. The expense of accommodating any regular or special meeting of the Managers shall be borne by the Participating Employer hosting such meeting.

6.5 **Vote by Proxy.** In the event any Manager is unable to attend a regular or special meeting of the Managers, the Manager may, upon not less than 24 hours' prior notice to the Chairman or Vice-Chairman, designate another individual as Manager solely for the purpose of voting at such meeting.

6.6 **Voting Rights.** A Manager shall be entitled to vote as a member of the Board of Managers and any of its committees to which he is elected or appointed effective as of the date his District becomes a Participating Employer (the first day of the month coinciding with or next following the date his Participating Employer executes the Adoption Agreement).

6.7 **Powers Reserved to the Managers.** Certain powers and duties with respect to administration of the Trust shall be reserved to the full Board of Managers, as follows:

- (a) To terminate the participation of any Participating Employer for any reason other than a 50% decline in its employee Participants;
- (b) to amend the Declaration of Trust and the Funding Agreement;
- (c) to adopt and amend these By-Laws;
- (d) to determine the types of benefits to be provided under the Trust and any changes in such benefits, and to amend or terminate the Plan or any plan or program of benefits provided thereunder;

(e) to determine whether benefits from the Trust shall be provided by means of direct or self-funding, or by the procurement of group or individual insurance contracts, or by any combination thereof;

(f) to establish the contribution rates for Participating Employer contributions pursuant to the provisions of the Funding Agreement; and

(g) to terminate and dissolve the Trust.

Any other power or duty of the Managers not specifically delegated to another committee shall be delegated to the Executive Committee.

## 7. REPORTING AND DISCLOSURE OBLIGATIONS

7.1 **Accounting.** The report required to be submitted pursuant to Section 8.2 of the Trust shall include (a) a statement of the benefits paid, (b) information with respect to fiduciaries, the Managers, administrators, and the Trustee, and compensation paid them, (c) a statement of assets and liabilities, (d) a summary of receipts and disbursements, (e) a schedule of all assets listed by issuer, and such other information as applicable law may require.

7.2 **Contribution Rates, Withdrawal Liabilities and Late Payment Penalties.** Each Participating Employer shall be notified as promptly as possible of any change in the contribution rates and withdrawal liability rates. In addition, the Managers shall establish uniform rules and procedures for imposition and collection of late payment penalties and partial withdrawal liabilities and shall notify the Participating Employers promptly regarding such rules and procedures and any changes thereto.

7.3 **Notification to Participating Employers of Certain Events.** Within 30 days after the occurrence thereof, each Participating Employer shall be notified of any of the following events:

(a) A loss of tax-exempt status of the Trust under Section 501(c)(9) of the Code;

(b) the filing of a report preliminary to a dissolution, merger, or consolidation of the Trust;

(c) the occurrence of any other event which the Managers determine may be indicative of a need to terminate the Trust, including, but not limited to, a significant reduction in the number of Participating Employers; or

(d) amendment of the Trust, the Funding Agreement or the Plan.

7.4 **Notices to Participants.** Notices to Participants must be in writing and reasonably calculated to reach a substantial number of Participants. Unless otherwise provided

by applicable law or regulation, any of the following shall be deemed adequate notice to Participants:

(a) The prominent posting of the notification at those work site locations customarily used by the Participating Employers for notices to employees with regard to labor-management relations matters, and, if the Trust or any provision thereof is maintained pursuant to a collective bargaining agreement and notices to employees with regard to labor-management relations matters are ordinarily posted at locations such as local union meeting places, at such locations;

(b) the mailing by first-class mail of the notification to each Participating Employer with instructions to distribute to each of its employee Participants;

(c) the mailing by first-class mail of the notification to the last known address of each employee Participant;

(d) the publishing of the notification in a publication which is directed to a substantial number of Participants; or

(e) the utilization of any combination of the above methods reasonably calculated to notify a substantial number of Participants.

If the Trust or participation in the Trust is the subject of one or more collective bargaining agreements, each Participating Employer that is a party to any such agreement shall also provide a copy of the notification to each collective bargaining agent for such Employer's employee Participants.

7.5 **Miscellaneous Reporting.** In addition to the requirements of this Section 7, the Managers shall perform all other acts of reporting and disclosure required by the Trust, the Funding Agreement or by applicable law or regulation.

## **8. CLAIMS PROCEDURE**

8.1 **Content and Manner of Filing Claim.** In order to be entitled to benefits from the Trust, a Participant shall, within one year of the occurrence of the event for which a benefit is payable, file with the Contract Administrator a written statement of his claim on a form to be furnished by the Contract Administrator.

8.2 **Appeal of Denied Claims.** A Participant may appeal the denial of a claim by writing to the Contract Administrator stating the basis for the appeal. If the Participant still does not believe a claim was properly settled, the Participant may then appeal the claim to the Executive Committee by filing a written request, addressed to the office of the Contract Administrator, within 60 days after the date of mailing or delivery of written notice of the Contract Administrator's final determination. The Executive Committee shall give the Participant or his duly authorized representative a full and fair review of the Contract

Administrator's decision denying the claim, and the opportunity to review pertinent documents and to submit issues and comments in writing. If a Participant does not timely file a request for review, the decision of the Contract Administrator shall become final at the expiration of the appeal filing period.

8.3 **Decisions on Review.** Decisions on review by the Executive Committee shall (a) be written in a manner calculated to be understood by the Participant, (b) include specific reasons for the decision and specific references to the pertinent Plan and Trust provisions upon which the decision is based, and (c) be issued within 30 days after the first meeting of the Executive Committee following receipt of the request for review.

## 9. MISCELLANEOUS

9.1 **Definitions.** All words and terms defined in the Declaration of Trust and/or the Funding Agreement shall have the same meanings when used in these By-Laws

9.2 **Waiver of Notice.** Whenever any notice is required to be given by the Declaration of Trust, the Funding Agreement, the Plan or these By-Laws, a waiver thereof in writing signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice.

9.3 **Amendments.** These By-Laws may be amended by the affirmative vote of a majority of Managers present at any duly called regular or special meeting of the Managers at which a quorum is present. Written notice of any proposed amendment of the Trust, the Funding Agreement, the Plan or these By-Laws shall be given to all Managers at least 20 days prior to the meeting at which such amendments are to be considered.